

REMARKS

Reconsideration of this application as amended is respectfully requested.

In the Office Action dated November 30, 2004, claims 1-9 and 26-45 were pending.

Claims 1-9 and 26-45 were rejected under §112, first paragraph and §102(e). In this response, claims 26, 30, 34, and 43 have been cancelled without prejudice. Claims 1, 4, 7, 37, and 44-45 have been amended. Thus, claims 1-9, 27-29, 31-33, 35-42, and 44-45 remain pending. No new matter has been added.

Specifically, independent claims 1, 4, 7, 37, and 44-45 have been amended to include substantially all limitations of claims 26, 30, 34, and 43, which depend from claims 1, 4, 7, and 37 respectively. Thus, the Applicant does not initiate a new search.

Claims 1-9 and 25-45 are rejected under 45 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. Specifically, the Examiner stated that the limitation of "wherein the refinement bits are generated based on bits from coefficients that became significant in a significant propagation pass of a previous bitplane" is not supported in the specification. It is respectfully submitted that the above identified limitation is a definition of a refinement pass, which is typically performed after a significant propagation pass, according to JPEG2000 specification (see, pages 94-97 of JPEG2000 specification). Thus, one with ordinary skill in the art would understand the above limitation. This limitation is used to further define the refinement pass is compatible with JPEG2000 specification and is not the same as the one described in Ordentlich. Nevertheless, such a limitation has been removed in view of the foregoing amendments.

Claims 1-9 are rejected under 35 U.S.C. §102(e) as being anticipated by Ordentlich et al., U.S. Patent No. 6,263,109 ("Ordentlich"). In view of the foregoing amendments, it is

respectfully submitted that the pending claims (claims 1-9, 27-29, 31-33, 35-42, and 44-45) include limitations that are not disclosed by Ordentlich.

Specifically, for example, independent claim 1 includes limitations of setting refinement bits to the more probable symbol (MPS) by setting the refinement bits of the code block that do not effect the predetermined quality of the target area to the MPS, while using actual values for the refinement bits that effect the predetermined quality of the target area, wherein the refinement bits set to the MPS are quantized as a result of setting refinement bits to the MPS, where the target area includes text in a background image and the refinement bits that are set to MPS are those that do not effect the text of the background image for the last bitplane, while using the actual value for the refinement bits that effect the text of the background image. It is respectfully submitted that the above limitations are not disclosed by Ordentlich. There is no mention or suggestion within Ordentlich of setting the refinement bits to MPS that do not affect the text of the background image for the last bitplane while using the actual value for the refinement bits that affect the text of the background image. Therefore, independent claim 1 is not anticipated by Ordentlich.

Similarly, independent claims 4, 7, 37, and 44-45 include limitations similar to those recited in claim 1. Thus, for the reasons similar to those discussed above, it is respectfully submitted that claims 4, 7, 37, and 44-45 are not anticipated by Ordentlich.

Given that the rest of the claims depend from one of the above independent claims, for the reasons similar to those discussed above, the rest of the claims are not anticipated by Ordentlich. Withdrawal of the rejections is respectfully requested.

In view of the foregoing, Applicants respectfully submit the present application is now in condition for allowance. If the Examiner believes a telephone conference would expedite


or assist in the allowance of the present application, the Examiner is invited to call the undersigned attorney at (408) 720-8300.

Please charge Deposit Account No. 02-2666 for any shortage of fees in connection with this response.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN

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Kevin G. Shao
Attorney for Applicant
Reg. No. 45,095

12400 Wilshire Boulevard
Seventh Floor
Los Angeles, California 90025-1026
(408) 720-8300